

LEADER FEDERAL BANK for SAVINGS
P.O. Box 275
Memphis, TN 38101-0275
(901) 578-2264

MISSISSIPPI DEED OF TRUST
(CONSUMER)

16-4319

THIS DEED OF TRUST is made this 22nd day of July, 1996, among
Perry L. Pounders and wife, Kathleen G. Pounders

("Borrower"). Leader Enterprises, Inc. ("Trustee"), P.O. Box 275, Memphis, TN 38101-0275, and Leader Federal Bank For Savings, a corporation organized and existing under the laws of the United States of America ("Leader Federal").

BORROWER, in consideration of the Indebtedness herein recited and the trust herein created and other good and valuable consideration, hereby bargains, sells, confirms, grants, and conveys to Trustee, in trust, with power of sale, the following described real property located in Desoto
County, State of Mississippi (being referred to hereinafter as the "Real Property")

SEE ATTACHED ADDENDUM

TOGETHER, with all hereditaments and appurtenances thereunto belonging or in any manner appertaining and all improvements now or hereafter erected on the Real Property, and all easements, rents, and all fixtures now or hereafter attached to or used in connection with the Real Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property encumbered by this Deed of Trust and all the foregoing, together with said Real Property (or the leasehold estate in the event this Deed of Trust is on a leasehold) is herein referred to as the "Property".

TO SECURE to Leader Federal and its successors and assigns, if any:

(i) the repayment of Borrower's indebtedness to Leader Federal evidenced by:

☐ Promissory Note(s) dated _____, _____ in the original principal sum of _____ and _____/100 Dollars (\$ _____) bearing interest as specified in the Note(s), and being due and having a final maturity _____.

☒ Open-End Credit Agreement dated July 22nd, 1996, in the maximum principal amount of Eight Thousand Five Hundred and no/100 dollars (\$ 8500.00), bearing interest at a variable rate as specified in the Open-End Credit agreement ("Agreement"), and being due and payable as follows:

☒ Interest monthly with final maturity in ten (10) years.

☐ Monthly payments with final maturity in ten (10) years.

Because the Agreement contains provisions allowing for changes in the interest rate, increases in the interest rate may result in higher payments and decreases in the interest rate may result in lower payments. The Open-End Credit Agreement is a revolving line of credit, the outstanding principal balance of which may vary from time to time, subject to the terms of the Agreement; and

(ii) Any and all additional and future advances, with interest thereon, which Leader Federal may make from time to time to borrower upon the security herein conveyed, any and all other sums advanced, with interest thereon, under the terms of this Deed of Trust, and any advances, with interest thereon, which Leader Federal may make to preserve and protect the security of this Deed of Trust. (Subparagraphs i and ii being herein referred to collectively as the "Indebtedness").

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the property, that the title and quiet possession thereto Borrower and his personal representatives shall warrant and forever defend against the lawful claims of all persons, and that the Property is unencumbered except as disclosed below.

BORROWER FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. PAYMENT. Borrower shall pay the Indebtedness according to its terms.

2. ENCUMBRANCES. The property herein conveyed is encumbered by the liens of Deed(s) of Trust(s):
Leader Federal

It is a condition of this instrument that in the event of any default in any of the terms and conditions of any other deed of trust, the lien of which may be or become prior and paramount to the lien of this Deed of Trust, then in every such event Leader Federal may, at its option, declare the Indebtedness secured by this instrument due for all purposes, and foreclosure may be had hereunder as in the case of any other default hereunder. Leader Federal may, at its option, advance and pay any such amount as shall be necessary in order that the terms and conditions of any deed of trust, the lien of which is then prior and paramount to the lien of this Deed of Trust, may be complied with; and such amounts so advanced and paid shall be repaid by Borrower, on demand, with interest thereon from the date of such payment at the default rate of interest provided in the instruments representing the Indebtedness and shall be deemed as expenses of administering this trust. Repayment of such advanced amounts shall be secured by the lien of this Deed of Trust and the advancement of such amounts shall not limit or bar the acceleration of the Indebtedness.

3. CHARGES, LIENS AND CHARGES. Borrower shall pay all taxes, assessments, fines, penalties, interest and other charges imposed upon or with respect to the Property (hereafter "taxes") when due and shall pay such taxes which may attain a priority over this Deed of Trust, and ground rents, if any. Borrower shall promptly discharge any lien superior to or prior to this Deed of Trust and which is not described above in Paragraph 2.

4. COSTS OF COLLECTION. If the Indebtedness is placed in the hands of an attorney to collect the Indebtedness, by suit or otherwise, or to enforce collection by foreclosure, or to protect the security for payment of the Indebtedness, or to protect the rights and interest of Leader Federal in bankruptcy proceedings,

or to assert the rights, interests, and claims of Leader Federal in bankruptcy proceedings, or to secure for Leader Federal relief from the automatic stay provisions of the Bankruptcy Code, then Borrower shall pay all such attorney's fees and costs of collection and litigation and the same shall be a lien upon the Property and enforced by sale of the Property as herein provided and the same shall be deemed an expense of administering this trust.

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5. **HAZARD INSURANCE.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured by insurance carriers satisfactory to Leader Federal against loss by fire, hazards included within the terms "extended coverage", and such other hazards as Leader Federal shall designate and in such amounts and for such periods as Leader Federal shall require. Borrower shall pay all premiums on insurance policies. All insurance policies and renewals thereof shall be in form acceptable to Leader Federal and shall include a mortgage clause in favor of and in form acceptable to Leader Federal. Leader Federal shall have the right to hold the policies or memorandums and renewals thereof, and Borrower shall, upon demand, promptly furnish to Leader Federal all renewal notices and all paid premium receipts. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Leader Federal, and Leader Federal may make proof of loss if not made promptly by Borrower. Leader Federal is authorized and empowered to collect and receive insurance proceeds, and to apply the insurance proceeds or any part thereof at Leader Federal's option to the restoration or repair of the Property damaged or to the reduction of the principal of the Indebtedness or to the reduction of the principal of future advances, if any hereunder. Any such application to principal shall not extend or postpone the due date of the next maturing payments or change the amount of such payments which are due under the instruments secured hereby. If under Paragraph 11 hereof the Property is acquired by Leader Federal, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Leader Federal.

6. **PRESERVATION AND MAINTENANCE OF PROPERTY AND LEASEHOLDS.** Borrower shall keep the Property in good repair, and shall not permit or commit waste or permit impairment or deterioration of the Property, and if this Deed of Trust is on a leasehold, Borrower shall comply with the provisions of any lease, and shall comply with all laws, ordinances, regulations and requirements of any governmental body having jurisdiction over the Property. If Borrower fails to keep the Property in good repair as required by Leader Federal, Leader Federal, who shall have the right of reasonable inspection, may advance funds to make such repairs as it may reasonably deem necessary for the proper preservation thereof with the right in such instances to enter upon the Property itself or by and through its agent or representative; funds so advanced shall be repaid by Borrower on demand with interest therein from the date of such payment at the rate provided in Paragraph 2 above, and shall be deemed as expenses of administering this trust; repayment of such advanced amount and interest thereon shall be secured by this Deed of Trust; and the advancement of such amount shall not limit or bar acceleration of the Indebtedness.

7. If the improvements on the Property shall be abandoned or unoccupied for a period of fifteen (15) days or more, Leader Federal shall have the right to enter the Property for the purpose of protecting same and may do such things to this end as are reasonable and all expenses incurred by Leader Federal in connection with such protection may be treated as advances made and secured in accordance with paragraph 6 above.

8. **EVENTS OF DEFAULT.** An Event of Default shall occur or exist:

(a) If Borrower (i) fails to pay any part of the Indebtedness secured by this Deed of Trust, whether principal or interest, promptly after the same becomes due, (ii) fails to observe or perform any term, condition or provision contained herein imposed upon Borrower to be observed or performed, or (iii) fails to pay any other costs, fees, or charges payable hereunder;

(b) If proceedings are instituted by or against Borrower for the appointment of a receiver or if bankruptcy proceedings are instituted by or against Borrower pursuant to or under the Bankruptcy Code;

(c) If Borrower makes a fraudulent transfer or preferential transfer under the Bankruptcy Code;

(d) If Borrower sells, transfers, conveys, assigns, or encumbers the Property, or any interest therein; or

(e) If there is a default in the terms (including payment of any Indebtedness) of a deed of trust, mortgage, or lien superior to the lien of this Deed of Trust. Upon the occurrence of any Event of Default, Leader Federal may, at its option, accelerate payment of the Indebtedness, terminate future advances thereunder and proceed to enforce any and all remedies provided Leader Federal herein, by the instruments representing the Indebtedness or by law or equity, all of which shall be cumulative to Leader Federal.

9. **CONDEMNATION.** All awards, proceeds or damages, direct or consequential, in connection with any condemnation or injury to the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned and shall be paid to Leader Federal to the extent of the sums secured by this Deed of Trust. Leader Federal is hereby authorized in the name of Borrower to execute and deliver paid acquittances thereof and may appeal from any such award. Leader Federal, at its option, may apply such awards, proceeds or damages to restoration of the Property or to the reduction of the principal of the Indebtedness. Any application to principal shall not extend or postpone the due date of the next maturing payments, or change the amount of such payments which are due under the instruments secured hereby.

10. **FORBEARANCE BY LEADER FEDERAL NOT A WAIVER.** Any delay, forbearance, discontinuance or cancellation by Leader Federal in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy hereunder. All remedies of Leader Federal are distinct and cumulative to any other right or remedy under this Deed of Trust or afforded by law or equity, and may be exercised concurrently or independently.

11. **POWER OF FORECLOSURE.** If there occurs an Event of Default, then anything in this Deed of Trust to the contrary notwithstanding, the entire Indebtedness and all obligations secured by this Deed of Trust shall, at the option of Leader Federal, immediately be due and payable without notice to the Borrower, which notice Borrower hereby expressly waives, and the whole of said Indebtedness shall bear interest immediately thereafter at the default rate of interest provided in the instruments secured hereby until paid, and the Trustee shall, at the request of Leader Federal, sell the Property conveyed, or a sufficiency thereof, to satisfy the Indebtedness at public outcry to the highest and best bidder for cash. Sale of the Property shall be advertised for three (3) consecutive weeks preceding the sale in a newspaper published in the county where the Property is situated, or if none is so published, then in some newspaper having a general circulation therein, and by posting notice for the same time at the courthouse of the same county. The notice and advertisement shall disclose the names of the original Borrowers in the Deed of Trust. Borrowers waive the provisions of Section 89-1-55 of the Mississippi Code of 1972 as amended, if any, as far as this section restricts the right of trustee to offer at sale more than 160 acres at a time and Trustee may offer the Property herein conveyed as a whole, regardless of how it is described.

If the Property is situated in one or more counties, or in two judicial districts of the same county, Trustee shall have full power to select in which county or judicial district, the sale of the Property is to be made, newspaper advertisement published, and notice of sale posted, and Trustee's selection shall be binding upon Borrower and Lender. Should Lender be a corporation or an unincorporated association, then any officer thereof may declare Borrower to be in default as provided under paragraph 8 of this instrument and request Trustee to sell the Property. Lender shall have the same right to purchase the Property at the foreclosure sale as would a purchaser who is not a party to this Deed of Trust.

12. APPLICATION OF PROCEEDS FROM FORECLOSURE. If there is a foreclosure and sale of the Property (or any portion thereof) by the Trustee, the proceeds of the sale shall be applied by the Trustee as follows: (i) to pay the expenses of making, maintaining, administering, and executing this trust, including the expenses of any costs and litigation and including all attorneys' fees and court costs; (ii) to pay all amounts advanced by Leader Federal pursuant to paragraph 14, together with interest thereon; (iii) to pay all expenses of protecting the Property and all other amounts advanced by Leader Federal and secured hereby, together with interest thereon; (iv) to pay compensation to the Trustee; (v) to pay the Indebtedness; and (vi) to pay the remaining proceeds, if any, to the Borrower or his order upon delivery and surrender to the purchaser of possession of the Property sold hereunder less any costs, fees, and expenses of obtaining possession of the Property. If the proceeds of sale as applied pursuant to the foregoing are not sufficient to pay the Indebtedness then the balance of the Indebtedness remaining unpaid shall be the subject of immediate suit.

13. NOTICE. Any notice from Leader Federal to Borrower under this Deed of Trust shall be deemed to have been given by Leader Federal and received by Borrower when mailed by certified mail by Leader Federal to Borrower at the street address of the Property or at such other address as Borrower may designate to Leader Federal by certified mail received by Leader Federal at Leader Federal's address stated above, or at such other address designated by Leader Federal to Borrower.

14. OPTIONAL ADVANCEMENTS IN EVENT OF DEFAULT. If an Event of Default exists or occurs, Leader Federal, at its option, may advance such funds as may be necessary to satisfy Borrower's obligations of payment the failure of which caused an Event of Default to exist or to occur; and, any such funds advanced by Leader Federal shall, until repaid to Lender, bear interest at the default rate of interest provided in the instruments secured hereby, the repayment of all of which shall be secured by this Deed of Trust.

15. SUBSTITUTION OF TRUSTEE. In the event of the death, refusal, or of the inability for any cause, on the part of the Trustee named herein, or of any Successor Trustee, to act at any time when action under the foregoing powers and trust may be required, or for any other reason, the Leader Federal may appoint a successor or successors to execute this trust, such appointment to be evidenced by writing, duly acknowledged; and when such writing shall have been recorded in the County where the Property is located, the Successor Trustee named herein shall thereupon be vested with all right and title, and clothed with all the power and authority of the Trustee named herein and such like power of substitution shall continue so long as any part of the Indebtedness secured hereby remains unpaid. If two (2) or more Trustees or Successor Trustees are named herein or by Leader Federal's subsequent appointment, any one (1) of such Trustees or Successor Trustees shall have, possess and exercise, all powers, privileges and rights conferred herein.

16. SUCCESSORS AND ASSIGNS BOUND; NUMBER; GENDER. The covenants and agreements herein contained shall bind and the rights hereunder shall inure to, the respective successor, heirs, executors, administrators and assigns of Borrower, Trustee, and Leader Federal. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders, and the term "Leader Federal" shall include Leader Federal Bank for Savings and any payee, holder, or assignee of the Indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

17. REPRESENTATIONS AND WARRANTIES. As of the date hereof Borrower represents and warrants to Leader Federal that (i) every financial statement provided to Leader Federal is true, accurate, and complete as of the date hereof, (ii) there is no fact which Borrower has not disclosed to Leader Federal in writing which could materially adversely affect the Property or Borrower's financial condition, and (iii) these representations and warranties shall survive Bankruptcy proceedings.

18. CONVEYANCE BY NON-OBLIGOR. In the event any party executing this Deed of Trust is not a maker, obligor, account party or otherwise a party executing the instruments representing the Indebtedness secured hereby, such party joins herein to pledge, mortgage and encumber any and all interest in the Property such party may have or possess, including but not limited to rights of survivorship, co-tenancy, homestead, dower, courtesy, elective share of a spouse and otherwise.

19. RELEASE. If Borrower shall pay the Indebtedness and all other amounts when they shall be due and payable, then this conveyance shall become null and void and Leader Federal shall release this Deed of Trust. Borrower shall pay all fees and costs to record such release.

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INDIVIDUAL ACKNOWLEDGMENT

Just R. O'Harrel
Notary Public

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the _____ day of _____, 19____

Notary Public

My Commission Expires:

Address of Property Conveyed:

147 North Parkway
Hernando, MS 38632

Tax Parcel No.

Name and Address of Person Responsible for Payment of Taxes:

Perry L. and Kathleen G. Pounders

147 North Parkway

Hernando, MS 38632

LOAN NO. 16-4319

MS.DOT:10/06/95

PLP KGA

ADDENDUM

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LOT 25, IN SECTION "A", PARKWAY VILLAGE SUBDIVISION, IN SECTION
12, TOWNSHIP 3, SOUTH, RANGE 8 WEST, CITY OF HERNANDO, DESOTO
COUNTY, MISSISSIPPI, AS RECORDED IN PLAT BOOK 26, AT PAGE 51,
IN THE OFFICE OF THE CHANCERY COURT CLERK OF DESOTO COUNTY,
MISSISSIPPI.

STATE MS.-DESOTO CO. *MC*
FILED

JUL 30 11 51 AM '96

BK 845 PG 606
W.E. DAVIS CH. CLK.

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